

Service Date: January 16, 2001

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

IN THE MATTER of the Application of)	UTILITY DIVISION
Red Butte Pipe Line Company and)	
Clear Fork Pipeline Company for)	DOCKET NO. D2000.11.187
Approval of Transfer of Certain)	
Assets in Montana.)	ORDER NO. 6292a

DEFAULT ORDER

BACKGROUND

1. On November 13, 2000, Red Butte Pipe Line Company (Red Butte) filed an application with the Montana Public Service Commission (Commission) for approval of the transfer of common carrier pipeline assets in Montana from Red Butte to Clear Fork Pipeline Company (Clear Fork). The assets to be sold and transferred are the same assets related to crude oil gathering and transportation service in the Elk Basin Field, Carbon County, that were transferred to Red Butte by Marathon Ashland Pipeline and approved by the Commission in Docket No. D2000.5.73, Order No. 6256a.
2. Red Butte, a public utility in the States of Wyoming and Montana, provides common carrier pipeline transportation of crude oil. Red Butte's principal office address is 5555 San Felipe Road, Houston, Texas 77056.
3. Clear Fork, a Delaware Corporation, is a wholly owned subsidiary of Howell Corporation. Clear Fork's principal office address is 1111 Fannin Street, Suite 1500, Houston, Texas 77002.
4. The sale involves all of Red Butte's pipelines and gathering lines located in Carbon County, Montana. After the sale, Red Butte will own no active pipelines in Montana.
5. On November 15, 2000, the PSC issued and published a Notice of Application and Intervention Deadline, requiring intervention by December 7, 2000 in order to conduct a public hearing. The PSC received no petitions for intervention.
6. On November 21, 2000, the Commission issued Order No. 6292, Protective Order, to protect confidential information related to the Purchase and Sale Agreement dated October 4, 2000, and the list of shippers and other interested parties.

FINDINGS OF FACT

7. The Commission has reviewed the Application and supporting documentation and finds the proposed transfer acceptable. The Commission finds that Clear Fork is financially fit and reliable and capable of providing the transportation service and intends to provide the service at the same rates.

8. The rules, regulations and rates currently in effect for Red Butte will remain the same.

CONCLUSIONS OF LAW

1. The Montana Public Service Commission has jurisdiction over the rates and charges of common carrier pipelines pursuant to Title 69, Chapter 13, Montana Code Annotated (MCA).

2. Clear Fork is a common carrier pipeline carrying crude petroleum products, and therefore is subject to the jurisdiction of the Commission.

ORDER

IT IS HEREBY ORDERED THAT the Commission approves the transfer of the common carrier pipeline and related assets in Carbon County, Montana, from Red Butte Pipe Line Company to Clear Fork Pipeline. Rates and charges shall remain the same, and Clear Fork shall file tariffs showing the change in ownership.

DONE IN OPEN SESSION at Helena, Montana on this 16th day of January, 2001 by a 5-0

BY THE ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

GARY FELAND, Chairman

JAY STOVALL, Vice Chairman

BOB ANDERSON, Commissioner

MATT BRAINARD, Commissioner

BOB ROWE, Commissioner

ATTEST:

Rhonda Simmons
Commission Secretary

(SEAL)

NOTE: Any interested party may request that the Commission reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.